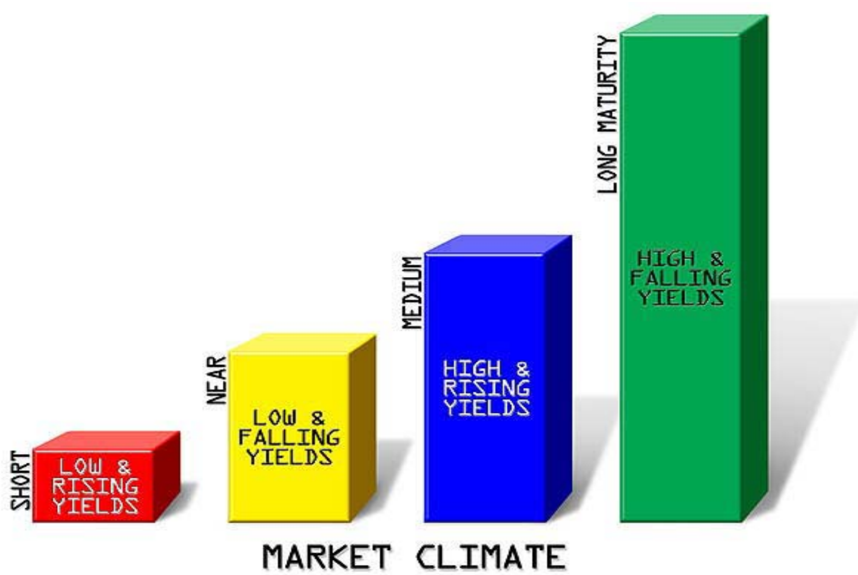
STRATEGIC TOTAL RETURN FUND

A SERIES OF
HUSSMAN INVESTMENT TRUST

ANNUAL REPORT

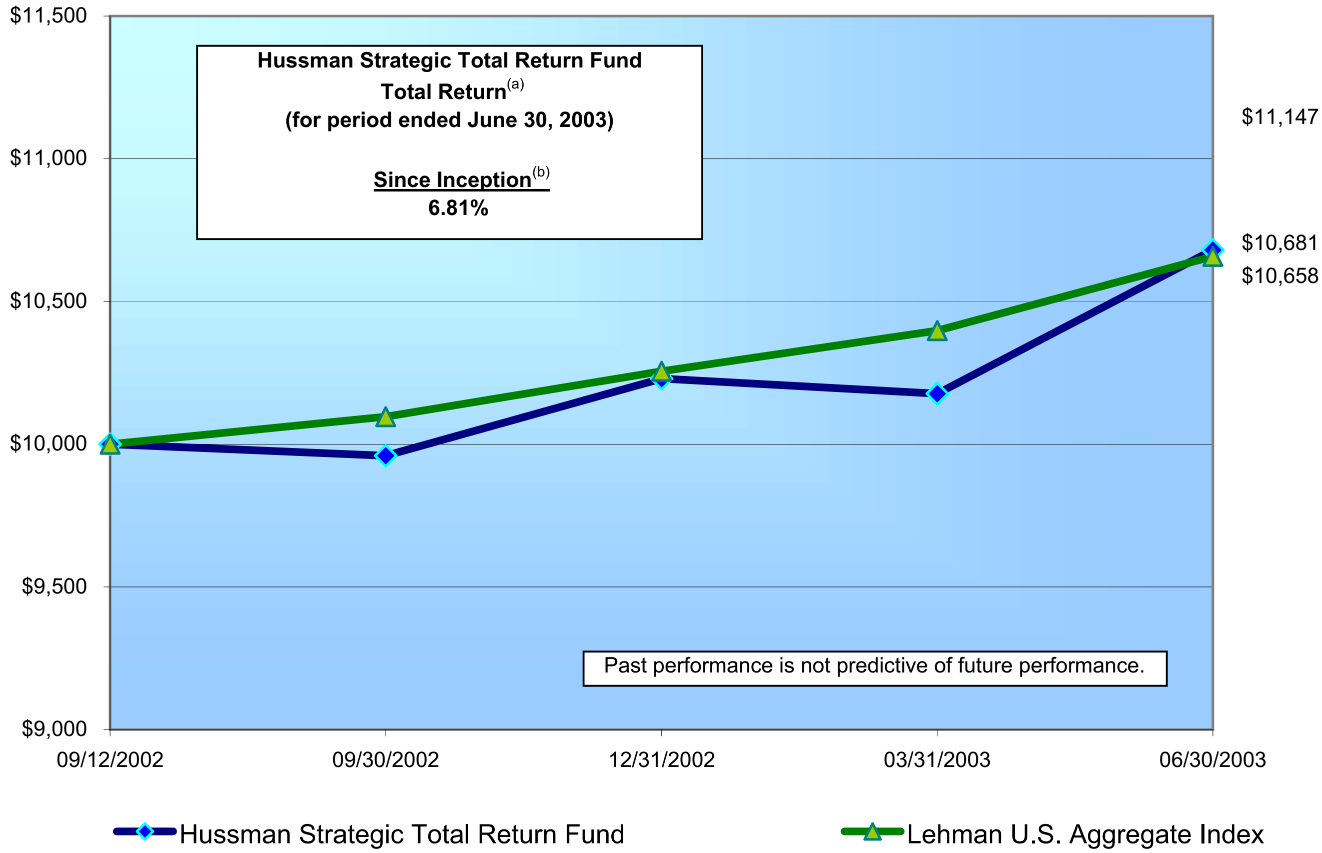
FOR THE PERIOD ENDED
JUNE 30, 2003



This Annual Report is authorized for distribution only if accompanied or preceded by a current Prospectus for the Fund.

HUSSMAN STRATEGIC TOTAL RETURN FUND

Comparison of the Change in Value of a $10,000 Investment in the Hussman Strategic Total Return Fund versus the Lehman U.S. Aggregate Index and the Standard & Poor's 500 Index



[a]Return does not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

[b]Not annualized. Initial public offering of shares was September 12, 2002.

HUSSMAN STRATEGIC TOTAL RETURN FUND

Letter to Shareholders

August 11, 2003

Dear Shareholder,

Hussman Strategic Total Return Fund earned a total return of 6.81% (not annualized) from its inception on September 12, 2002 through June 30, 2003.

While a period of less than a year is decidedly too short to draw much useful analysis, we are pleased that the Fund outperformed the Lehman Aggregate Index, which earned a total return of 6.58% during this period. However, the Fund was somewhat more volatile than the Lehman Aggregate Index from inception through June 30, 2003, due primarily to the Fund's investments in mining, utility, and energy shares. (The benefit of the Fund's defensive position during the bond market weakness since June 30, 2003 is not captured in these figures).

Strategy

The primary intent of our investment approach is to achieve high long-term total returns, and equally important, high returns per unit of risk. In our view, the natural strategy toward this objective is to accept greater risk in conditions that have historically been associated with high returns per unit of risk, on average, and to add emphasis on defending capital in conditions that have historically been associated with an unfavorable return/risk profile, on average.

Notice that this strategy does not rely on attempts to forecast specific market movements. Once we identify a particular market climate, we have no belief that we can forecast whether the next particular market movement will be positive or negative. We simply believe that these climates differ in their average return/risk characteristics. Shifts in the market climate we identify are accompanied by shifts in our investment positions, but these should not be interpreted as specific forecasts regarding market direction.

There are three main ways in which the investment positions of the Fund vary, depending on market conditions. First, the Fund has the ability to vary the duration (interest rate sensitivity) of its portfolio. In general, high durations are most appropriate in environments of high and falling yields, while low durations are most appropriate in environments of low and rising yields.

Second, for a given duration target, the Fund has flexibility in selecting the various maturities of the bonds it holds, based on yield curve considerations (in general, flattening yield curves favor "barbell" strategies split between a variety of maturities, whereas steepening yield curves favor "bullet" strategies which target a single maturity).

Finally, the Fund has the flexibility to hold alternative assets such as precious metals shares, utilities, and foreign government securities, based on characteristics of valuation and market action in these markets.

Portfolio Insight

From inception through June 30, 2003, the Fund emphasized a relatively short duration profile. The Fund had substantial investments in Treasury inflation protected securities and a portion of its investments in alternative assets such as mining and utility shares. This investment position should not be viewed as a "standard" position for the Fund, but rather, a response to what we viewed as generally unfavorable conditions in the bond market.

The Schedule of Investments in this report provides an insight into the Fund's position as of June 30, 2003. The net assets of the Fund on that date were $18,982,698. The Fund held 52.44% of its net assets in Treasury inflation protected securities, 16.85% in government agency securities, 15.76% in metals and mining shares, 7.17% in utility and energy shares, 4.86% in foreign government notes, and a small percentage in money market shares to satisfy day-to-day liquidity requirements.

The largest gains in the Fund during this period were Treasury inflation protected securities, Newmont Mining, Barrick Gold, Placer Dome, PPL, Sempra Energy, and Scana. The largest negative impact on Fund returns was an unrealized loss in Agnico Eagle, resulting from the unfortunate collapse of a mining shaft. The Fund also realized a loss on a minor position in intermediate-term Treasury notes.

Current Conditions

The U.S. economy continues to experience rising fiscal deficits and the deepest current account deficit on record. In general, sustained economic recoveries have started with the current account in surplus, which allowed for rapid growth in investment and consumption, funded by large imports of capital from abroad. Given that even the present level of U.S. economic activity is dependent on the largest inflows of foreign capital in history, the prospect for a sustained boom in consumption and domestic investment from current levels appears limited.

The unusual strength in the Treasury bond market during the first half of 2003 was largely driven by concerns – even expectations – of deflation. In our view, these concerns are misplaced. Historically, deflation has generally had a single cause: an unaccommodated plunge in monetary velocity. In other words, deflation has been the result of a sudden desire among individuals to hold money in the form of cash, combined with the failure of banking authorities to provide this liquidity. The bank runs of the Great Depression resulted in deflation because individuals rushed to convert their bank deposits to currency, yet the Federal Reserve failed to sufficiently increase the monetary base in response. As a result, banks were forced to call in loans in order to meet depositor demands. In short, deflations are invariably the result of strong increases in the demand for currency, in response to bank failures and other credit crises.

The U.S. is experiencing nothing of the sort at present. Indeed, the consumer price index has exhibited a low but quite persistent inflation. The services sector of the economy has displayed no measurable deflation at all. What the financial markets perceive as deflation risk is really downward pressure on manufactured goods prices. This is the result of a profoundly wide current account deficit with countries including China and Japan that do not wish to revalue their currencies versus the U.S. dollar. The persistent accumulation of U.S. dollar assets by these countries has helped to support the value of the dollar, and has provided a ready source of demand for short-term U.S. debt. As a result, the U.S. financial system has become quite dependent on short-term debt as a source of financing.

Accordingly, several areas will be important to monitor in the future. In our view, the most potentially destabilizing event for the U.S. economy would be an abrupt revaluation of Asian currencies, particularly the Chinese yuan. The most probable result of this in the bond market would be a substantial flattening or inversion of the yield curve, with short-term yields rising due to liquidity factors, and long-term yields stable or falling due to economic considerations. Credit spreads between corporate and Treasury yields will also remain an important source of information regarding potential weakness in credit conditions as well as economic prospects.

In short, the U.S. is in an awkward position that favors neither rapid and sustained economic growth, nor deflationary weakness. Currency and credit factors warrant close monitoring, both because of risk considerations and because of potential opportunities for investment returns. Still, we expect that the most frequent opportunities ahead in the bond market will be opportunities to extend or shorten portfolio duration based on the behavior of long-term interest rates.

In response to improved bond market valuations resulting from the substantial decline in the U.S. bond market after June 30, 2003, the Fund has recently shifted approximately 30% of its investments to conventional long-term U.S. Treasury bonds.

Hussman Strategic Total Return Fund has the ability to vary its duration, yield curve profile and asset mix in response to a wide variety of market conditions. We believe that this flexibility will allow the Fund to respond to continued investment opportunities in the coming years.

I appreciate your investment in the Fund.

Best wishes,

John P. Hussman, Ph.D.

Weekly updates regarding market conditions and investment strategy, as well as special reports and analysis, are available at no charge at the Fund's website www.hussmanfunds.com.

HUSSMAN STRATEGIC TOTAL RETURN FUND
A Series of the Hussman Investment Trust
Statement of Assets and Liabilities
June 30, 2003

ASSETS	
Investments in securities:	
At acquisition cost	$ 18,472,973
At value (Note 1)	$ 19,109,181
Dividends and interest receivable	160,481
Receivable for capital shares sold	16,861
Receivable from Adviser (Note 3)	10,499
Other assets	11,393
Total Assets	19,308,415
LIABILITIES	
Dividends payable	35,153
Payable for capital shares redeemed	262,832
Payable to administrator (Note 3)	6,500
Other accrued expenses	21,232
Total Liabilities	325,717
NET ASSETS	$ 18,982,698
Net assets consist of:	
Paid-in capital	$ 18,054,473
Undistributed net investment income	29
Accumulated net realized gains from security transactions	291,017
Net unrealized appreciation on investments	555,631
Net unrealized appreciation on translation of assets and liabilities in foreign currencies	81,548
NET ASSETS	$ 18,982,698
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	1,801,028
Net asset value, offering price and redemption price per share [a] (Note 1)	$ 10.54

[a] Redemption price varies based on length of time shares are held.

See accompanying notes to financial statements.

HUSSMAN STRATEGIC TOTAL RETURN FUND
A Series of the Hussman Investment Trust
Statement of Operations
For the Period Ended June 30, 2003 [a]

INVESTMENT INCOME	
Dividends	$ 78,013
Foreign withholding taxes on dividends	(1,704)
Interest	251,574
Total Income	327,883
EXPENSES	
Investment advisory fees (Note 3)	67,880
Professional fees	52,406
Fund accounting fees (Note 3)	25,173
Organization expenses (Note 1)	24,710
Administration fees (Note 3)	20,255
Registration and filing fees	18,177
Trustees' fees and expenses	15,500
Custodian and bank service fees	14,676
Transfer agent and shareholder services fees (Note 3)	14,400
Postage and supplies	4,837
Other expenses	6,103
Total Expenses	264,117
Less fees waived and expenses reimbursed by the Adviser (Note 3)	(162,297)
Net Expenses	101,820
NET INVESTMENT INCOME	226,063
REALIZED AND UNREALIZED GAINS ON INVESTMENTS AND FOREIGN CURRENCIES (Note 4)	
Net realized gains from:	
Security transactions	291,017
Foreign currency transactions	125
Net change in unrealized appreciation/depreciation on:	
Investments	555,631
Foreign currency translation	81,548
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS AND FOREIGN CURRENCIES	928,321
NET INCREASE IN NET ASSETS FROM OPERATIONS	$ 1,154,384

[a] Represents the period from the commencement of operations (September 12, 2002) through June 30, 2003.

See accompanying notes to financial statements.

HUSSMAN STRATEGIC TOTAL RETURN FUND
A Series of the Hussman Investment Trust
Statement of Changes in Net Assets
For the Period Ended June 30, 2003 [a]

FROM OPERATIONS	
Net investment income	$ 226,063
Net realized gains from:	
Security transactions	291,017
Foreign currency transactions	125
Net change in unrealized appreciation/depreciation on:	
Investments	555,631
Foreign currency translation	81,548
Net increase in net assets resulting from operations	1,154,384
DISTRIBUTIONS TO SHAREHOLDERS	
From net investment income	(226,063)
In excess of net investment income	(96)
Net decrease from distributions to shareholders	(226,159)
FROM CAPITAL SHARE TRANSACTIONS	
Proceeds from shares sold	20,504,306
Net asset value of shares issued in reinvestment of distributions to shareholders	171,365
Proceeds from redemption fees collected (Note 1)	21,326
Payments for shares redeemed	(2,642,524)
Net increase in net assets from capital share transactions	18,054,473
TOTAL INCREASE IN NET ASSETS	18,982,698
NET ASSETS	
Beginning of period	-
End of period	$ 18,982,698
UNDISTRIBUTED NET INVESTMENT INCOME	$ 29
CAPITAL SHARE ACTIVITY	
Sold	2,044,554
Reinvested	16,545
Redeemed	(260,071)
Net increase in shares outstanding	1,801,028
Shares outstanding at beginning of period	-
Shares outstanding at end of period	1,801,028

[a] Represents the period from the commencement of operations (September 12, 2002) through June 30, 2003.

See accompanying notes to financial statements.

HUSSMAN STRATEGIC TOTAL RETURN FUND
A Series of the Hussman Investment Trust
Financial Highlights
Selected Per Share Data and Ratios for a Share Outstanding Throughout the Period Ended June 30, 2003 [(a)]

Net asset value at beginning of period	$ 10.00
Income from investment operations:	
Net investment income	0.14
Net realized and unrealized gains on investments and foreign currencies	0.52
Total from investment operations	0.66
Distributions from net investment income	(0.14)
Proceeds from redemption fees collected (Note 1)	0.02
Net asset value at end of period	$ 10.54
Total return (not annualized)	6.81%
Net assets at end of period	$ 18,982,698
Ratio of expenses to average net assets:	
Before advisory fees waived and expenses reimbursed	2.32% [(b)]
After advisory fees waived and expenses reimbursed	0.90% [(b)]
Ratio of net investment income to average net assets	1.99% [(b)]
Portfolio turnover rate	151% [(b)]

[(a)] Represents the period from the commencement of operations (September 12, 2002) through June 30, 2003.

[(b)] Annualized.

See accompanying notes to financial statements.

HUSSMAN STRATEGIC TOTAL RETURN FUND
A Series of the Hussman Investment Trust
Portfolio of Investments
June 30, 2003

Shares	COMMON STOCKS - 22.93%		Value
	Electric Utilities - 0.93%		
4,000	Ameren Corp.	$	176,400
	Energy Equipment and Services - 1.18%		
14,000	DPL, Inc.		223,160
	Gas Utilities - 2.19%		
3,500	Nicor, Inc.		129,885
10,000	Sempra Energy		285,300
			415,185
	Metals and Mining - 15.76%		
25,000	Agnico-Eagle Mines, Ltd.		290,000
50,000	Barrick Gold Corp.		895,000
33,000	Newmont Mining Corp.		1,071,180
40,000	Placer Dome, Inc.		490,800
35,000	USEC, Inc.		245,700
			2,992,680
	Oil and Gas - 2.87%		
7,500	PPL Corp.		322,500
6,500	Scana Corp.		222,820
			545,320
	Total Common Stocks (Cost $3,921,473)	$	4,352,745

Par Value	U.S. TREASURY OBLIGATIONS - 52.44%		Value
	U.S. Treasury Inflation-Protection Notes - 52.44%		
$ 1,160,438	3.375%, due 01/15/2007	$	1,274,306
3,696,420	3.50%, due 01/15/2011		4,198,324
2,070,380	3.375%, due 01/15/2012		2,342,440
1,677,195	3.875%, due 04/15/2029		2,139,733
	Total U.S. Treasury Obligations (Cost $9,833,384)	$	9,954,803

Par Value	U.S. GOVERNMENT AGENCY OBLIGATIONS - 16.85%		Value
	Federal Farm Credit Bank - 2.11%		
$ 400,000	2.625%, due 09/24/2007	$	400,709
	Federal Home Loan Bank - 7.08%		
590,000	2.585%, due 11/28/2005		591,466
750,000	2.22%, due 09/12/2006		752,512
			1,343,978
	Federal National Mortgage Association - 7.66%		
1,000,000	2.75%, due 11/14/2005		1,005,549
JPY 50,000,000	2.125%, due 10/09/2007		447,465
			1,453,014
	Total U.S. Government Agency Obligations (Cost $3,195,198)	$	3,197,701

Portfolio of Investments (Continued)
June 30, 2003

Par Value	FOREIGN GOVERNMENT OBLIGATIONS - 4.86%		Value
	Canadian Government Note - 1.11%		
JPY 25,000,000	0.70%, due 03/20/2006	$	211,331
	German Bundesschatzanweisungen Note - 2.43%		
EUR 400,000	3.75%, due 09/12/2003		460,769
	United Kingdom Treasury Note - 1.32%		
GBP 150,000	6.50%, due 12/07/2003		250,839
	Total Foreign Government Obligations (Cost $841,925)	$	922,939

Shares	MONEY MARKETS - 3.59%		Value
680,993	First American Treasury Obligation Fund - Class S (Cost $680,993)	$	680,993
	Total Investments at Value - 100.67% (Cost $18,472,973)	$	19,109,181
	Liabilities in Excess of Other Assets - (0.67%)		(126,483)
	Net Assets - 100.00%	$	18,982,698

EUR - Euro
GBP - British Pound
JPY - Japanese Yen

See accompanying notes to financial statements.

Notes to the Financial Statements
June 30, 2003

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Hussman Strategic Total Return Fund (the "Fund") is a diversified series of Hussman Investment Trust (the "Trust"), an open-end management investment company organized as an Ohio business trust on June 1, 2000. The Fund is registered under the Investment Company Act of 1940. The Fund is authorized to issue an unlimited number of shares. The Fund commenced operations on September 12, 2002.

The investment objective of the Fund is to provide long-term total return from income and capital appreciation.

The following is a summary of the Fund's significant accounting policies:

Securities Valuation – The Fund's portfolio securities are valued as of the close of business of the regular session of the New York Stock Exchange ("NYSE") (normally 4:00 p.m., Eastern time). Securities, other than options, listed on the NYSE or other exchanges are valued on the basis of their last sale prices on the exchanges on which they are primarily traded. However, if the last sale price on the NYSE is different than the last sale price on any other exchange, the NYSE price will be used. If there are no sales on that day, the securities are valued at the closing bid price on the NYSE or other primary exchange for that day. Securities traded on a foreign stock exchange are valued based upon the closing price on the principal exchange where the security is traded. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price. If there are no sales on that day, the securities are valued at the mean between the closing bid and asked prices as reported by NASDAQ. Securities traded in the over-the-counter market, and which are not quoted by NASDAQ, are valued at the last sale price, if available, otherwise, at the mean of the closing bid and asked prices. Options traded on national securities exchanges are valued at a price between the closing bid and asked prices determined to most closely reflect market value as of the time of computation of net asset value. Futures contracts and options thereon, which are traded on commodities exchanges, are valued at their daily settlement value as of the close of such commodities exchanges. Foreign securities are translated from the local currency into U.S. dollars using currency exchange rates supplied by a pricing quotation service.

Fixed income securities not traded or dealt in upon any securities exchange but for which over-the-counter market quotations are readily available generally shall be valued at the mean of their closing bid and asked prices. When market quotations are not readily available, fixed income securities may be valued on the basis of prices provided by an independent pricing service. The fair value of securities with remaining maturities of 60 days or less has been determined in good faith by the Board of Trustees to be represented by amortized cost value, absent unusual circumstances. In the event that market quotations are not readily available, securities and other assets are valued at fair value as determined in accordance with procedures adopted in good faith by the Board of Trustees of the Trust. The Board of Trustees will review and monitor the methods used by such services to assure itself that securities are appropriately valued.

Notes to the Financial Statements
June 30, 2003 (Continued)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Futures Contracts and Related Options – The Fund may use financial futures contracts and related options to hedge against changes in the market value of its portfolio securities or securities that it intends to purchase. The Fund may purchase an interest rate futures contract to protect against a decline in the value of its portfolio or to gain exposure to securities which the Fund otherwise wishes to purchase.

When the Fund writes (sells) an option, an amount equal to the premium received by the Fund is included in the Statement of Assets and Liabilities as an asset and an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current value of the option written. By writing an option, the Fund may become obligated during the term of the option to deliver or purchase the securities underlying the option at the exercise price if the option is exercised. When an option expires on its stipulated expiration date or the Fund enters into a closing purchase transaction, the Fund realizes a gain or loss if the cost of the closing purchase transaction differs from the premium received when the option was sold without regard to any unrealized gain or loss on the underlying security, and the liability related to such option is eliminated. When an option is exercised, the premium originally received decreases the cost basis of the security (or increases the proceeds on a sale of the security).

Repurchase Agreements – The Fund may enter into repurchase agreements with certain banks or non-bank dealers. The value of the underlying securities will be monitored on an ongoing basis to ensure that the value always equals or exceeds the repurchase price plus accrued interest.

Foreign Currency Translation – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars based on exchange rates on the following basis:

A. The market values of investment securities and other assets and liabilities are translated at the closing rate of exchange each day.

B. Purchases and sales of investment securities and income and expenses are translated at the rate of exchange prevailing on the respective date of such transactions.

C. The Fund does not isolate that portion of the results of operations caused by changes in foreign exchange rates on investments from those caused by changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses on investments.

Reported net realized foreign exchange gains or losses arise from 1) purchases and sales of foreign currencies, 2) currency gains or losses realized between the trade and settlement dates on securities transactions and 3) the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Reported net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities, other than investment securities, resulting from changes in exchange rates.

Notes to the Financial Statements
June 30, 2003 (Continued)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share Valuation and Redemption Fees – The net asset value per share of the Fund is calculated at the close of regular trading on the NYSE (normally 4:00 p.m., Eastern time) on each day that the Exchange is open for business. To calculate the net asset value, the Fund's assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share is equal to the net asset value per share, except that shares of the Fund are subject to a redemption fee of 1.5% if redeemed within six months of the date of purchase. For the period ended June 30, 2003, proceeds from redemption fees totaled $21,326.

Investment Income – Interest income is accrued as earned. Dividend income is recorded on the ex-dividend date. Discounts and premiums on fixed income securities are amortized using the interest method.

Distributions to Shareholders - Dividends arising from net investment income, if any, are declared and paid quarterly to shareholders of the Fund. Net realized short-term capital gains, if any, may be distributed throughout the year and net realized long-term capital gains, if any, are distributed at least once each year. The amount of distributions from net investment income and net realized gains are determined in accordance with federal income tax regulations which may differ from accounting principles generally accepted in the United States. These "book/tax" differences are either temporary or permanent in nature and are primarily due to losses deferred due to wash sales and treatment for foreign currency transactions.

The tax character of distributions paid during the period ended June 30, 2003 was ordinary income.

Organization Expenses – All costs incurred and expensed by the Fund in connection with the organization of the Fund and the initial public offering of shares of the Fund, principally professional fees and printing, have been paid by the Adviser, but are subject to recovery by the Adviser pursuant to the Expense Limitation Agreement (See Note 3).

Security Transactions – Security transactions are accounted for on trade date. Securities sold are determined on a specific identification basis.

Accounting Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Notes to the Financial Statements
June 30, 2003 (Continued)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Income Tax – It is the Fund's policy to comply with the special provisions of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which a Fund so qualifies and distributes at least 90% of its taxable net income, the Fund (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also the Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income (earned during the calendar year) and 98% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of June 30, 2003:

Cost of portfolio investments	$ 18,474,145
Gross unrealized appreciation on investments	$ 757,002
Gross unrealized depreciation on investments	(121,966)
Net unrealized appreciation on investments	$ 635,036
Net unrealized foreign exchange gains	971
Undistributed ordinary income	327,371
Other temporary differences	(35,153)
Total distributable earnings	$ 928,225

The difference between the federal income tax cost of portfolio investments and the financial statement cost is due to certain timing differences in the recognition of capital gains or losses under income tax regulations and accounting principles generally accepted in the United States.

2. INVESTMENT TRANSACTIONS

During the period ended June 30, 2003, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments, amounted to $31,952,470 and $14,783,505, respectively.

Notes to the Financial Statements
June 30, 2003 (Continued)

3. TRANSACTIONS WITH AFFILIATES

Certain Trustees and officers of the Trust are affiliated with the Adviser or Ultimus Fund Solutions, LLC ("Ultimus"), the Fund's administrator, transfer agent and fund accounting agent.

Advisory Agreement
Under the Investment Advisory Agreement, the Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at the annual rate of 0.60% of the average daily net assets of the Fund.

Pursuant to an Expense Limitation Agreement, the Adviser has contractually agreed to waive a portion of its advisory fees or to absorb the Fund's operating expenses to the extent necessary so that the Fund's ordinary operating expenses do not exceed an amount equal to 0.90% annually of its average daily net assets. This expense limitation agreement remains in effect until at least December 31, 2005. Any fee waivers or expense reimbursements by the Adviser, either before or after December 31, 2005, are subject to repayment by the Fund provided the Fund is able to effect such repayment and remain in compliance with the undertaking by the Adviser to limit expenses of the Fund, and provided further that the expenses which are the subject of the repayment were incurred within three years of such repayment. Accordingly, during the period ended June 30, 2003, the Adviser waived its entire advisory fee of $67,880 and reimbursed the Fund for other expenses in the amount of $94,417. As of June 30, 2003, the Adviser may in the future, but no later than June 30, 2006, recoup from the Fund fees waived and expenses reimbursed totaling $162,297.

Administration Agreement
Under the terms of an Administration Agreement, Ultimus supplies executive, administrative and regulatory services to the Fund, supervises the preparation of tax returns, and coordinates the preparation of reports to shareholders and reports to and filings with the Securities and Exchange Commission and state securities authorities. For the performance of these administrative services, Ultimus receives a monthly fee at an annual rate of 0.15% of the Fund's average daily net assets up to $50 million; 0.125% of such assets from $50 million to $100 million; 0.10% of such assets from $100 million to $250 million; 0.075% of such assets from $250 to $500 million; and 0.05% of such assets in excess of $500 million, subject to a minimum fee of $2,000 per month. Accordingly, during the period ended June 30, 2003, Ultimus was paid $20,255 for administrative services.

Fund Accounting Agreement
Under the terms of a Fund Accounting Agreement between the Trust and Ultimus, Ultimus calculates the daily net asset value per share and maintains the financial books and records of the Fund. For these services, Ultimus receives from the Fund a monthly fee of $2,500, plus an asset based fee equal to 0.01% of the Fund's average daily net assets up to $500 million and 0.005% of such assets over $500 million. Accordingly, during the period ended June 30, 2003, Ultimus was paid $25,173 for accounting services. In addition, the Fund pays certain out-of-pocket expenses incurred by Ultimus in obtaining valuations of the Fund's portfolio securities.

Notes to the Financial Statements
June 30, 2003 (Continued)

3. TRANSACTIONS WITH AFFILIATES (Continued)

Transfer Agent and Shareholder Services Agreement
Under the terms of a Transfer Agent and Shareholder Services Agreement between the Trust and Ultimus, Ultimus maintains the records of each shareholder's account, answers shareholders' inquiries concerning their accounts, processes purchases and redemptions of Fund shares, acts as dividend and distribution disbursing agent and performs other shareholder service functions. For these services, Ultimus receives from the Fund a monthly fee at an annual rate of $17 per account, subject to a minimum fee of $1,500 per month. Accordingly, during the period ended June 30, 2003, Ultimus was paid $14,400 for transfer agent services. In addition, the Fund pays out-of-pocket expenses including, but not limited to, postage and supplies.

Report of Independent Auditors

To the Shareholders and Board of Trustees of
the Hussman Strategic Total Return Fund of the Hussman Investment Trust

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of the Hussman Strategic Total Return Fund of the Hussman Investment Trust as of June 30, 2003, and the related statements of operations, changes in net assets, and financial highlights for the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of June 30, 2003 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Hussman Strategic Total Return Fund of the Hussman Investment Trust as of June 30, 2003 and the results of its operations, changes in its net assets and financial highlights for the period then ended, in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

Cincinnati, Ohio
July 24, 2003

BOARD OF TRUSTEES AND OFFICERS (Unaudited)

Overall responsibility for management of the Fund rests with the Board of Trustees. The Trustees serve during the lifetime of the Trust and until its termination, or until death, resignation, retirement or removal. The Trustees, in turn, elect the officers of the Fund to actively supervise its day-to-day operations. The officers have been elected for an annual term. The following are the Trustees and executive officers of the Fund:

Trustee	Address	Age	Position Held with the Trust	Length of Time Served
*John P. Hussman, Ph. D.	3525 Ellicott Mills Drive Ellicott City, MD 21043	40	President and Trustee	Since June 2000
*Lee R. Baker	3103 SW 37th Street Des Moines, IA 50321	73	Trustee	Since June 2000
David C. Anderson	916 North Oak Park Avenue Oak Park, IL 60302	52	Trustee	Since June 2000
Nelson F. Freeburg	9320 Grove Park Cove Germantown, TN 38139	51	Trustee	Since June 2000
William H. Vanover	838 Long Lake Road, Suite 100 Bloomfield Hills, MI 48302	56	Trustee	Since June 2000
Robert G. Dorsey	135 Merchant Street Cincinnati, OH 45246	46	Vice President	Since June 2000
Mark J. Seger	135 Merchant Street Cincinnati, OH 45246	41	Treasurer	Since June 2000
John F. Splain	135 Merchant Street Cincinnati, OH 45246	46	Secretary	Since June 2000

*Mr. Hussman, as an affiliated person of the Adviser, is an "interested person" of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. Mr. Baker, by reason of his ownership of shares of the Trust, is also considered an "interested person" of the Trust

Each Trustee oversees two portfolios of the Trust. The principal occupations of the Trustees and executive officers of the Fund during the past five years and public directorships held by the Trustees are set forth below:

John P. Hussman, Ph. D. is Chairman, President and Treasurer of the Adviser. He was a professor of Economics and International Finance at the University of Michigan School of Business Administration from 1992 until 1999.

David C. Anderson is Network Administrator for Hephzibah Children's Association (a child welfare organization).

Lee R. Baker is Director of the Raymond F. Baker Foundation and a member of the Board of Governors of the Iowa State University Foundation and the Baker Council for Excellence in Agronomy.

BOARD OF TRUSTEES AND OFFICERS (Unaudited) (continued)

Nelson F. Freeburg is President and owner of Formula Research, Inc. (a financial newsletter publication). He is also owner of Freeburg Properties LLC, Freeburg Development LLC and Chickasaw Land & Investment Company.

William H. Vanover is Investment Officer for Planning Alternatives, Ltd. (a registered investment adviser).

Robert G. Dorsey is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC. Prior to March 1999, he was President of Countrywide Fund Services, Inc. (a mutual fund services company).

Mark J. Seger is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC. Prior to March 1999, he was First Vice President of Countrywide Fund Services, Inc.

John F. Splain is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC. Prior to March 1999, he was First Vice President and Secretary of Countrywide Fund Services, Inc. and affiliated companies.

Additional information about members of the Board of Trustees and Officers is available in the Statement of Additional Information (SAI). To obtain a free copy of the SAI, please call 1-800-487-7626.

FEDERAL TAX INFORMATION (Unaudited)

For the fiscal year ended June 30, 2003 certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund intends to designate up to a maximum amount of $226,159 as taxed at a maximum rate of 15%. Complete information will be computed and reported in conjunction with your 2003 Form 1099-DIV.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available upon request by calling toll-free 1-800-487-7626, or on the Securities and Exchange Commission's website at http://www.sec.gov.